

**INTERLOCAL CONTRACT FOR THE
LEASE OF PROPERTY AT FIFTH STREET SCHOOL
FOR UNLV SCHOOL OF FINE ARTS**

THIS INTERLOCAL CONTRACT ("Lease"), made and entered into this _____ day of _____, 20____; by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a municipal corporation of the State of Nevada (hereinafter referred to as "Lessor"), and the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, on behalf of the UNIVERSITY OF NEVADA, LAS VEGAS COLLEGE OF FINE ARTS (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessor owns the real property and improvements located on certain real property commonly known as the Fifth Street School, and located commonly at 400 Las Vegas Boulevard South, Las Vegas, Nevada 89101; and

WHEREAS, Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, the Premises at the Fifth Street School for the purpose of providing classroom space to students in the University of Nevada, Las Vegas' School of Fine Arts; and

WHEREAS, pursuant to NRS 277.180, the Lessor may enter into interlocal contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, one of the goals of the Lessor is to provide needed public services to the central core of downtown Las Vegas, and

WHEREAS, Lessee, by utilizing the Premises, will contribute to Lessor in its efforts to revitalize the central core of downtown Las Vegas; and

WHEREAS, Lessor determines that the lease of the Premises to Lessee for the purposes as hereinafter set forth in the Lease will provide a substantial benefit to the inhabitants of the City of Las Vegas; and

WHEREAS, the Lessor agrees to lease the Premises upon the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the foregoing and the covenants, terms and conditions herein contained, the parties agree as follows:

1. **LEASE OF PREMISES.** Subject to the provisions of this Lease, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises at Fifth Street School consisting of approximately 4057 square feet. The location and dimensions of the Premises are shown more particularly on the Site map, Exhibit "A".

2. **TERM OF LEASE.** Unless earlier terminated in accordance with section 38 hereof, this Lease shall be for a period of five (5) years beginning on the Commencement Date as defined in Section 3. If Lessee is not then in default of this Lease, Lessee may request to renew this Lease through January 2018 by giving a written request to renew at least 60 days prior to the expiration of the Lease term and upon receiving such request Lessor must provide written approval within 30 days of expiration of Lease.

3. **EFFECTIVE DATE AND COMMENCEMENT DATE.** This Lease shall be effective on the date both parties have signed this Lease. The Commencement Date of this Lease shall be January 1, 2008.

4. **RENT.** Commencing on the Commencement Date, Lessee agrees to pay One Dollar (\$1.00) per month as Rent to Lessor. The Rent shall be due and payable twelve (12) months in advance and shall be due on the Commencement Date.

5. **UTILITIES AND SERVICES.** Lessee shall pay for its use of all water, sewer, electricity and gas utilities, solid waste disposal, janitorial and landscape maintenance at the Premises by reimbursing

Lessor its pro-rata share of the Lessor's total billings for these services at the Fifth Street School. Lessee's pro-rata share is based upon the Lessee's Premises as a percentage of the total square footage available for use at the Fifth Street School, said total square footage is calculated to be 26,014 square feet. The Lessee's Premises consisting of 15.59 percent of said total. Lessor shall invoice the Lessee no later than forty-five (45) days from the date of receipt from the appropriate utility companies, and Lessee shall make payment within (30) days of receipt of such invoice. Lessee shall be responsible for all costs of telephone, cable and other telecommunication services at the Premises.

6. **REPAIRS AND MAINTENANCE.**

A. **Lessor's Obligations.** Lessor shall keep the Premises, interior and exterior walls, roof and common areas and the equipment whether used exclusively for the Premises or in common with the other premises, in good condition and repair; provided, however, Lessor shall not be obligated to paint, repair or replace wall coverings or to repair or replace any improvements that are not ordinarily a part of the Premises.

B. **Lessee's Obligations.**

(1) Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee of the Premises, to the extent such cost is attributable to causes beyond normal wear and tear. Lessee shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any Premises improvements that are not ordinarily a part of the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs, the cost of which is otherwise Lessee's responsibility hereunder.

(2) On the last day of the term hereof, or on any sooner termination, Lessee shall surrender the Premises to Lessor in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if the same could have been prevented by good maintenance practices by Lessee. Lessee shall repair any damage to the Premises occasioned by the installation or removal of Lessee's trade fixtures, alterations, furnishings and equipment. Except as otherwise stated in this Lease, Lessee shall leave the HVAC, power panels, electrical distribution systems, lighting fixtures, air conditioning, window coverings, wall coverings, carpets, wall paneling, ceilings and plumbing on the Premises and in good operating condition.

7. **USE OF PREMISES.** Lessee agrees to use the Premises solely for the purpose of conducting classes and workshops through the Lessee's School of Fine Arts. Lessee shall not use or permit the Premises to be used for any other purpose, except with the prior written consent of Lessor. The Lessee will have use privileges to the "Common Areas" consisting of the multi-purpose "Gymnasium" space, gallery space and courtyard open spaces. Usage of these spaces must be scheduled with and approved by the resident representative of the Lessor. Priority of use of the Common Area shall first be given to the RDA, then to the resident tenants and finally to outside users. If more than one tenant wishes to use a specific Common Area, priority shall be given to the tenant with the larger area under lease. Lessee shall be responsible for all costs incurred for special events, including but not limited to, additional security, trash removal, ancillary fees, and special event permits. If the Lessee conducts fund raising or for profit activities utilizing the Common Areas, the Lessor retains the right to charge either a percentage fee or flat rate usage fee for the use of said Common Areas.

8. **CONDITION OF PREMISES.** The Premises are leased to Lessee on an “as-is basis. Lessor makes no other warranty concerning the Premises and shall have no obligation to construct any improvements other than those that exist at the Commencement Date.

9. **USE OF PARKING AND OTHER AREAS.** In connection with its use of the Premises pursuant to this Lease, Lessee is entitled to Seven (7) parking passes for spaces which are not designated as “Visitor Parking” located in the main parking lot at the Fifth Street School and depicted on the Site Map attached hereto as Exhibit “B”. The Lessee shall direct all other parking users to use the metered spaces in the parking structure located west of the Gymnasium across Fourth Street. All facilities in or about the Fifth Street School shall be subject to the exclusive control and management of Lessor. Lessor shall have the right to construct, maintain and operate lighting and other facilities on all said areas and improvements; to police the same; to change the area, level, location and arrangements of the parking area and other common facilities; to close all or any portion of said area of facilities to such extent as may be legally sufficient to prevent a dedication thereof or the accrual of any right to any person or the public therein; and to close temporarily all or any portion of the parking areas or facilities. Lessor shall operate and maintain the parking area in such manner as Lessor in its discretion shall determine. Lessor shall have full right and authority to employ and discharge all its personnel with respect thereto, and shall have the right, through reasonable rules, regulations and/or restrictive covenants promulgated by it from time to time, to control use and operation of the parking area in order that the same may occur in proper and orderly fashion.

10. **LAWS, WASTE, NUISANCE.** Lessee covenants that it:

A. Will not use or suffer or permit any person or persons to use the Premises or any part thereof for conducting thereon any activity not authorized in this Lease;

B. Will comply with all laws, ordinances, regulations and requirements, now in force or which hereafter may be in force, of any lawful governmental body or authority having jurisdiction over the Premises;

C. Will keep the Premises and every part thereof in a clean, neat and orderly condition, and will in all respects and at all times fully comply with all health and police regulations; and

D. Will not suffer, permit or commit any nuisance or waste on the Premises.

11. **ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** At any time during the Lease term, Lessee, subject to the prior written approval of Lessor and at the expense of Lessee, may make alterations, additions or improvements in and to the interior of the Premises. No alterations, additions or improvements shall be authorized for the exterior of the Premises. Any such alteration, addition or improvement shall be performed in a workmanlike manner, in accordance with all applicable governmental regulations and requirements, and shall not weaken or impair the structural strength or lessen the value of the Premises.

All alterations, additions or improvements that may be erected or installed in or on the interior of the Premises shall become part thereof and the sole property of Lessor, except that all moveable fixtures that may be installed by the Lessee shall be and remain its or their property and shall not become the property of Lessor if it is removed in a timely manner after abandonment or surrender of the Premises.

12. **SIGNAGE.** Lessee shall have the right to place, construct and maintain one or more signs identifying its name at the Premises. All signage shall conform to the design of signs at Fifth Street School and shall be approved by Lessor prior to the sign's placement at the Premises.

13. **CHANGES TO COMPLEX.** Lessor reserves the right at all times to exercise reasonable control over, and from time to time make changes, alterations or additions to, the Fifth Street School. Lessor shall endeavor to do so with a minimum of disruption to the Lessee's rights under this Lease.

14. **ACCESS TO PREMISES.** Lessor shall have the right to place, maintain and repair utility equipment of any kind in, upon and under the Premises as may be necessary for the servicing of the Premises and other portions of the Fifth Street School and which are the Lessor's responsibility. Lessor shall also have the right to enter the Premises upon reasonable notice to inspect or to exhibit the same to prospective purchasers and to make such repairs, additions, alterations or improvements as Lessor may deem desirable.

Lessor may enter the Premises at any time, without notice, in the event of an actual emergency. Lessor shall at all times have and retain a key with which to unlock all of the doors of the Premises, and Lessor shall have the right to use any and all means which Lessor may deem proper to open said doors in an emergency in order to obtain entry to the Premises. Any entry to the Premises by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of the Premises, or an eviction of Lessee from the leased Premises or any portion thereof.

15. **COMPLIANCE WITH THE LAW.** The Lessee shall promptly execute and comply with all applicable statutes, rules, orders, building codes, ordinances, requirements, and regulations of the city, county, state and federal governments, including OSHA, the Americans with Disabilities Act of 1990 (42 USC Sections 12101 through 12213 and 47 USC Section 225.611) and their underlying regulations and rules, which are applicable to the Premises. Nothing herein contained shall be construed to restrict the Lessee for contesting the validity of any such regulation, rule or ordinance, provided the Lessee indemnifies the Lessor to its reasonable satisfaction against the consequences of noncompliance during the period of dispute.

16. **INDEMNIFICATION.** To the extent limited by NRS Chapter 41, Lessee will be responsible for, and will indemnify, defend and hold the Lessor and its agents and employees harmless from and against, any loss, damage, liability, cost or expense to the extent of Lessee's liability provided by law that

results from Lessee's use of the Premises and that is caused by the actions or non-actions of Lessee, or any employee, servant or agency of either. To the extent limited by NRS Chapter 41, Lessor will be responsible for, and will indemnify, defend and hold the Lessee and its agents and employees harmless from and against, any loss, damage, liability, cost or expense to the extent of Lessor's liability provided by law that results from Lessor's use of the Premises and that is caused by the actions or non-actions of Lessor, or any employee, servant or agency of either.

17. **INSURANCE.** As a state-supported institution of higher education, the Lessee is a self-insured agency of the State of Nevada. Lessee certifies that, as a state-supported institution of higher education, it is a self-insured entity and that, with respect to workers' compensation, the Lessee is qualified pursuant to statutory authority. Requirements and claims are handled in accordance with NRS Chapter 41.

18. **WAIVER OF SUBROGATION.** Lessor hereby waives, and Lessee hereby waives, any rights each may have against the other for loss or damage to its property or property in which it may have an interest, where such loss is caused by a peril of the type generally covered by fire or hazard insurance with extended coverage or arising from any cause which the claiming party was obligated to insure against under this Lease, and the Lessor and Lessee each waives any right of subrogation that it might otherwise have against the other party.

19. **SURRENDER OF PREMISES.** Upon expiration or other authorized termination of this Lease, Lessee shall and surrender the Premises in the same condition as they were in at the commencement of this Lease, except for additions, alterations or changes specifically authorized by Lessor and reasonable wear and tear, and shall deliver all keys to Lessor. Before surrendering the Premises, Lessee shall remove all of its personal property and trade fixtures and such alterations or additions to the Premises made by Lessee as may be specified for removal by Lessor, and shall repair any damage caused by such property or the removal thereof. If Lessee fails to remove such personal property and fixtures upon the expiration or

other authorized termination of this Lease, the same shall be deemed abandoned and shall become the property of Lessor.

20. **HOLDING OVER.** Any holding over by the Lessee, with the Lessor's consent, after the expiration of the term hereof or of any renewal term shall be construed to be a tenancy from month to month, terminable on one month's written notice.

21. **SALE OF PREMISES.** Lessor reserves the right at any time to sell, convey or otherwise transfer its interest in the Premises or any portion thereof.

22. **EMINENT DOMAIN.** In case the whole of the Premises, or such part thereof as shall substantially interfere with Lessee's use and occupancy thereof, shall be taken by any lawful power or authority by exercise of the right of eminent domain, or sold to prevent such taking, either Lessor or Lessee may terminate this Lease effective as of the date possession is required to be surrendered to said authority. Lessee shall not because of such taking, and Lessor shall be entitled to receive the entire amount of any award without deduction for any estate or interest of Lessee. In the event the amount of property of the type of estate taken shall not substantially interfere with the conduct of Lessee's business, Lessor shall be entitled to the entire amount of the award without deduction for any estate or interest of Lessee. In such event, Lessor shall promptly proceed to restore the Premises to substantially their condition prior to such partial taking.

23. **DAMAGE OR DESTRUCTION.**

A. Lessee shall give prompt notice to Lessor in case of fire or accidents in or near the Premises or in any common area.

B. If the Premises are partially damaged by fire or other casualty, Lessor shall repair such damage at its cost, subject to Lessor's option contained in subsection C of this Section.

C. If the Premises or common areas are substantially or totally destroyed, or if the Premises are damaged so extensively that they cannot, in Lessor's opinion, be repaired within sixty (60) days after commencement of such repairs, or if Lessor shall decide to rebuild the Premises or common areas so that they will be substantially different structurally or architecturally, then Lessor may, at its option, within thirty (30) days after such damage or destruction, give Lessee written notice thereof and this Lease shall thereupon be canceled effective as of the date of the occurrence of such damage or destruction.

D. If any damage referred to in this Section is due in whole or in part to the act, neglect, fault or omission of Lessee, there shall be no abatement of rent.

24. **LIENS AND ENCUMBRANCES.** Lessee agrees to keep the Premises and its interest therein free from liens and encumbrances and to indemnify and hold Lessor harmless there from. If any liens or other encumbrances are filed against the Premises or any part thereof by reason of Lessee's acts or omissions or because of a claim against Lessee, Lessee shall cause the same to be canceled and discharged of record by bond or otherwise within ten (10) days after notice by Lessor. The failure of Lessee to obtain a cancellation or discharge or record by bond or otherwise as provided herein within the time limit hereby established shall constitute a default of the terms of this Lease.

25. **ASSIGNMENT AND SUBLETTING.** Lessee shall not transfer, assign, delegate, mortgage or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Lessee, or sublet the Premises, or any part thereof, without the prior written consent of Lessor in each instance. Such consent shall not be unreasonably withheld. The prohibition against transfer or assignment contained in this Section includes any transfer or assignment by operation of law.

26. **BREACH, DEFAULT AND REMEDIES.** If Lessor or Lessee fails to perform or comply with any covenant, term or condition that this Lease requires said party to perform or comply with, the defaulting party shall have thirty (30) days after it receives written notice of such default or breach within

which to remove or cure said default or breach, except that such period in the case of Lessee's failure to pay rent in a timely fashion shall be fifteen (15) days after the date the rent payment is due. If a breach or default on the part of Lessee is not removed or cured within the applicable time limit set forth above, lessor may, in addition to any other remedy it may have under law or equity at its option, terminate this Lease or re-enter and retake possession, with or without terminating the Lease. In the case of re-entry and retaking of possession, Lessor shall give Lessee a thirty (30) day notification so that arrangements for the removal of property can be made.

The remedies provided for in this Lease shall be cumulative, and the exercise of any remedy by a party shall not be to the exclusion of any other remedy.

27. **NO PARTNERSHIP.** Lessor does not by this Lease, in any way or for any purpose, become a partner or joint venturer of Lessee in the conduct of its business or otherwise.

28. **FORCE MAJEURE.** Lessor and Lessee shall each be excused for the period of any delay in the performance of any obligation hereunder when prevented from doing so by cause or causes beyond that party's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

29. **NO WAIVER.** Failure of either the Lessor or Lessee to insist upon the strict performance of any provision or to exercise any option hereunder in any one or more instances shall not be deemed a waiver or relinquishment of its right to do so in the future. No provision of this Lease shall be deemed to have been waived by Lessor/Lessee unless such waiver is in writing.

30. **BROKER'S COMMISSIONS.** The parties represent and warrant that there are no claims for brokerage commissions or finder's fees in connection with this Lease and each agrees to indemnify the other against and hold it harmless from all liability arising from such claims, including any attorney's fees connected therewith.

31. **PROVISIONS BINDING.** Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, heirs, successors and assigns.

32. **NON-DISCRIMINATION.** Lessee agrees that the Premises will not be segregated with respect to race, color, religion or national origin; that it will not segregate or discriminate on such grounds with respect to public utilization of or access to the Premises; and that it will comply with all applicable federal laws and regulations that prohibit discrimination in connection with federally-funded programs.

33. **ENTIRE AGREEMENT.** This Lease, including any exhibits attached hereto, sets forth the entire agreement between the parties. Any prior conversations or writings concerning the lease of the Premises are merged herein and extinguished.

34. **AMENDMENT OR MODIFICATION.** No amendment to or modification of this Lease shall be binding upon Lessor or Lessee unless it has been reduced to writing.

35. **CAPTIONS AND SECTION NUMBERS.** The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any section or paragraph.

36. **ATTORNEY'S FEES.** In the event Lessee/Lessor institutes any judicial proceeding against Lessee/Lessor relating to any default, the prevailing party shall be entitled to an award of reasonable attorney's fees as determined by the court.

37. **NOTICES.** Any notice, demand, request, or other instrument which may be or is required to be given under this Lease shall be delivered in person or sent by certified mail, return receipt requested, and shall be sent to the following address or to such other addresses as the parties may from time to time designate in writing:

If to the Lessor:

City of Las Vegas Redevelopment Agency
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attention: Operations Manager

If to the Lessee:

University of Nevada, Las Vegas,
Associate Vice President for
Facilities Management & Planning
Box 451074
4505 S. Maryland Parkway
Las Vegas, Nevada 89154-1027
Attention: Real Estate Department

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39. **TERMINATION.** This Lease may be canceled by either party for any reason by providing one hundred eighty (180) days written notification. Lessee shall vacate the premises within 30 days of expiration of the contract.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the day and year first above written.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor
Chairman, Las Vegas Redevelopment Agency
"Lessor"

ATTEST:

BEVERLY K. BRIDGES, Acting Secretary, Las Vegas Redevelopment Agency

APPROVED AS TO FORM:


[Signature] 5/7/07
DEPUTY CITY ATTORNEY/DATE

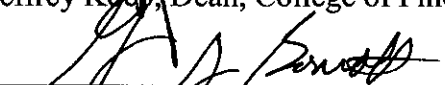
PASSED, ADOPTED AND APPROVED THIS _____ DAY OF _____, 20____

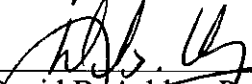
BOARD OF REGENTS OF THE NEVADA SYSTEM OF
HIGHER EDUCATION, ON BEHALF OF THE
UNIVERSITY OF NEVADA, LAS VEGAS COLLEGE OF
FINE ARTS

RECOMMENDED BY:


Michael Kroelinger, Director, School of Architecture


Jeffrey Koop, Deah, College of Fine Arts


Gerry J. Bomotti, Vice President for Finance & Business


David B. Ashley, President

APPROVED BY:

By: 
James E. Rogers, Chancellor

APPROVED AS TO FORM:

By: 
Richard C. Linstrom, General Counsel

“Lessee”

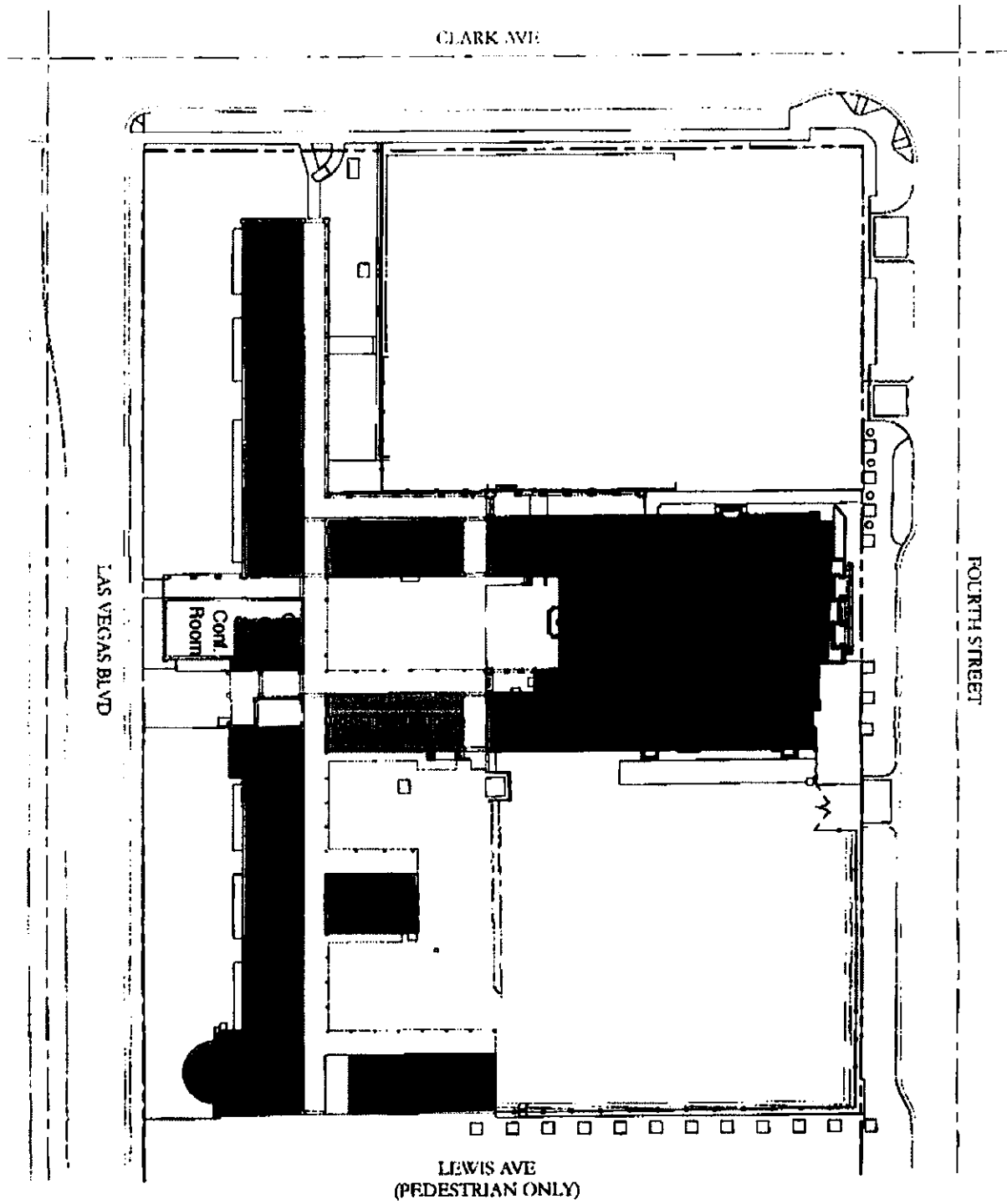


EXHIBIT A

SITE PLAN

EXHIBIT B

